

CORRECTED FISCAL NOTE

HB 865 - SB 1253

April 11, 2007

SUMMARY OF BILL: Exempts narrow run-off ditches that are dry a majority of the year from the provisions of the Water Quality Control Act.

ESTIMATED FISCAL IMPACT:

On February 21, 2007 we issued a fiscal note on this bill indicating a *decrease in state revenues exceeding \$500,000 to the Environmental Protection Fund and Other Fiscal Impact – By exempting such waters from the provisions of the Water Quality Other Control Act, the definition of the waters of the state would be more narrowly defined than the federal definition of waters. Narrowing of this definition would jeopardize approximately \$2,100,000 of federal funding to the Department of Environment and Conservation.* Based upon additional information obtained by committee staff, the estimated fiscal impact of this bill is:

(CORRECTED)

Increase State Expenditures – Exceeds \$700,000

Decrease State Revenues – Exceeds \$500,000/Environmental Protection Fund

Other Fiscal Impact – By exempting such waters from the provisions of the Water Quality Control Act, the definition of the waters of the state would be more narrowly defined than the federal definition of waters. Narrowing of this definition would jeopardize approximately \$2,100,000 of federal funding to the Department of Environment and Conservation.

Assumptions:

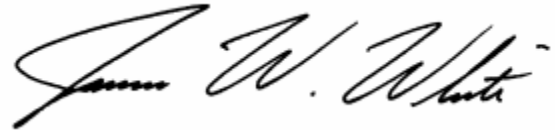
- A decrease in state revenues exceeding \$500,000 due to fewer discharge permits being sold due to the exclusion of such waters from regulation.
- A reduction of approximately 1395 permits.
- The department will be required to make a significantly higher number of site visits to such streams to determine if they meet the qualifications for exemption provided by this bill. This will result in the hiring of at least 13 new environmental specialists with an average salary and

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benefits cost of \$56,000. This will result in an increase in state expenditures exceeding \$700,000.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large initial "J" and a distinct "W".

James W. White, Executive Director